



**METROPOLITAN
TRANSPORTATION
COMMISSION**

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Memorandum

TO: Administration Committee

DATE: January 7, 2015

FR: Executive Director

W.I. 1311

RE: Contract – Regional Means-Based Transit Fare Pricing Study: CH2M Hill (\$199,940)

Staff seeks the Committee's approval of a contract in an amount not to exceed \$199,940 with CH2M Hill to develop and prepare the Regional Means-Based Transit Fare Pricing Study (Study).

Background

MTC has been involved in identifying potential affordability barriers to transit for low-income riders and promoting solutions through various regional planning and policy initiatives for more than 10 years. These include the Coordinated Public Transit-Human Services Transportation Plan, the Lifeline Transportation Program, the 2012 means-based fare discount funding requests, the Regional Transportation Plan, the Transit Sustainability Project, and the Community Based Transportation Plans. Although MTC does not determine specific fare policies for individual transit operators, MTC does have statutory authority to promote regional transit fare coordination.

The purpose of the Regional Means-Based Transit Fare Pricing Study is to develop scenarios for funding and implementing a regional means-based transit fare program or programs in the nine-county Bay Area, and to determine the feasibility of implementing the scenarios. Each of the scenarios must be consistent with the following three overall program objectives:

- Make transit more affordable for low-income residents
- Move towards a more consistent regional standard for fare discount policies
- Be financially viable and administratively feasible, without adversely affecting the transit system's service levels and performance

Key project activities will include identifying potential fare structures and instruments, eligible recipients, overall program costs (including both startup and ongoing administration) and impact on fare revenues, potential funding opportunities, relationships to other existing discounts, institutional challenges and opportunities, and technical implementation considerations, including integration with the regional Clipper® program.

State Transit Assistance funds for the study were programmed in Cycle 3 of the Lifeline Transportation Program.

Procurement Process

On August 28, 2014, MTC issued a Request for Proposals (RFP) for consulting assistance on this study. An email advertising the availability of the RFP on MTC's website was distributed to over 900 individuals/firms. MTC received two proposals, which were evaluated by a panel comprised

of MTC and transit operator staff. The evaluation criteria included: 1) Approach to carrying out project (worth 50%); 2) Firm and assigned staff expertise and experience in conducting similar types of projects (worth 25%); 3) Cost effectiveness and hourly rates (worth 15%); and 4) Presentation effectiveness (worth 10%).

Discussions were held with both proposers, as follows:

Firm	Location	Subconsultants	Proposed Budget
CH2M Hill	San Francisco, CA	<ul style="list-style-type: none">• Nelson\Nygaard• NWC Partners	\$199,940
Mobility Planners LLC	Mountain View, CA	<ul style="list-style-type: none">• Kittelson & Associates, Inc.• Transit Marketing LLC	\$199,934


On November 26, 2014, MTC issued a Best and Final Offer (BAFO) notice for CH2M Hill and Mobility Planners LLC to address deficiencies in their submitted proposals. The evaluation panel reviewed the BAFO proposals from each firm and re-scored the proposals based on the original evaluation criteria.

The panel recommends CH2M Hill as the proposer most advantageous to MTC based on the evaluation criteria stated in the RFP. A number of identified strengths led to the panel's recommendation, including the following:

- Clarity and strength of proposed approach, including:
 - Balanced outreach to the various stakeholder groups
 - Solid understanding of institutional challenges and complexities
 - Robust scenario evaluation process, including proven fare modeling capabilities
- Diverse team with expertise in various areas, including fare policy, facilitation and consensus-building, and transit funding
- Reasonable price proposal, consistent with other proposal and MTC estimate
- Strong presentation and communication skills

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract with CH2M Hill in an amount not to exceed \$199,940 to develop and prepare the Regional Means-Based Transit Fare Pricing Study.



Steve Heminger

SH:KM

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Consulting Contract

Work Item No.: 1311

Organization: CH2M Hill, San Francisco, CA

Work Project Title: Regional Means-Based Transit Fare Pricing Study

Purpose of Agreement: Develop and prepare a study of means-based transit fare scenarios for the Bay Area.

Brief Scope of Work: Develop scenarios for funding and implementing a regional means-based transit fare program or programs in the nine-county Bay Area, and determine the feasibility of implementing the scenarios. Each of the scenarios must be consistent with the following three overall program objectives: (1) Make transit more affordable for low-income residents; (2) Move towards a more consistent regional standard for fare discount policies; (3) Be financially viable and administratively feasible, without adversely affecting the transit system's service levels and performance.

Cost Not to Exceed: \$199,940

Funding Sources: Lifeline Cycle 3 State Transit Assistance (STA)

Fiscal Impact: Funds are included in the FY 2014-15 Budget.

Motion by Committee: That the Executive Director or his designee is authorized to negotiate and enter into a consulting contract with CH2M Hill, to develop and prepare the Regional Means-Based Transit Fare Pricing Study as described above and in the Executive Director's January 7, 2015 memorandum, and the Chief Financial Officer is authorized to set aside funds in the amount of \$199,940 for such agreement.

Administration Committee: _____
Adrienne J. Tissier, Chair

Approved: Date: January 14, 2015